

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1986 - SB 1985**

February 24, 2018

**SUMMARY OF BILL:** Prohibits any business which installs used tires in this state from installing or offering to install an unsafe used tire on a motor vehicle. Establishes that any person who knowingly solicits or installs an unsafe used tire on a motor vehicle is subject to a civil penalty of \$500 for each violation. Establishes that a violation of this Act is an unfair and deceptive act or practice in violation of the *Tennessee Consumer Protection Act of 1977 (the Act)*.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Currently, a person who has been solicited or who has had an unsafe used tire installed may seek a cause of action in court for remedies.
- This legislation establishes that knowingly installing or offering to install an unsafe used tire is an unfair or deceptive practice, and subjects any person who commits such practice to a \$500 civil penalty per violation, in addition to any remedies under *the Act* or remedies that are otherwise available under any other applicable law.
- This bill may result in an increase in formal complaints; however, any such increase is estimated to be not significant.
- This bill may result in an increase in civil penalty fee revenue. Any such increase cannot be determined with certainty, but is estimated to be not significant.
- The Division of Consumer Affairs can handle any increase in formal complaints utilizing existing staff during normal work hours.
- Committing an unfair or deceptive practice under *the Act* is a Class B misdemeanor offense.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

**HB 1986 - SB 1985**

Assumptions:

- The proposed legislation is estimated to have no significant impact on commerce or jobs in Tennessee.
- Imposition of civil penalties for a violation committed by a business will not significantly impact business expenditures. It is assumed that most businesses already currently comply with the provisions of this legislation.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb